



STATE OF MAINE  
PUBLIC UTILITIES COMMISSION  
242 STATE STREET  
18 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0018

THOMAS L. WELCH  
CHAIRMAN

WILLIAM M. NUGENT  
STEPHEN L. DIAMOND  
COMMISSIONERS

March 23, 2000

Magalie Salas, Secretary  
Federal Communications Commission  
Portals II  
445 12<sup>th</sup> Street, SW  
Suite TW-A325  
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

RECEIVED

MAR 24 2000

FCC MAIL ROOM

Re: Docket 96-45  
Certification Letter Pursuant to 47 C.F.R. § 54.313

Dear Ms. Salas:

Please date stamp this letter acknowledging receipt of the 9 copies of the letter with Order 99-825 attached. An envelope has been provided for your convenience.

Thank you for your cooperation.

Joel Shifman

Utility Analyst  
Finance Division

No. of Copies rec'd 0+7  
List ABCDE



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Re: Docket 96-45  
Certification Letter Pursuant to 47 C.F.R. § 54.313.

Dear Ms. Salas:

On November 2, 1999, the FCC adopted a new mechanism to provide high-cost support to non-rural carriers beginning on January 1, 2000. In the Matter of Federal-State Joint Board on Universal Service, Ninth Report and Order and Eighteenth Order on Reconsideration, CC Docket No. 96-45, (FCC 99-306, released November 2, 1999) (USF Order). The new mechanism made available an additional \$10.2 million in explicit interstate universal service support for the year 2000 for non-rural customers in Bell Atlantic's Maine service territory. The USF Order requires states to certify by April 1, 2000,<sup>1</sup> that the non-rural carrier(s) in their jurisdiction will use the federal support in compliance with section 254(e) of the Telecommunications Act of 1996. This certification letter is being submitted to satisfy that requirement.

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<sup>1</sup> The Order originally required certification by December 31, 1999. On December 17, 1996 the FCC extended the deadline to April 1, 2000.



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In accordance with the requirements of 47 C.F.R. §54.313, the Maine Public Utilities Commission certifies that all the federal high-cost funds provided to Bell Atlantic-Maine will be used in a manner consistent with the requirements of 47 U.S.C. §254 (e). Pursuant to an Order dated March 17, 2000, the Maine Commission has directed that the high-cost funds be given to customers as a credit against recurring rates for residential and business customers for services provided on or after January 1, 2000. (A copy of the Maine Commission's March 17, 2000 Order approving the agreement is attached to this letter.) That order is consistent with Commission's finding that "a state could adjust intrastate rates, or otherwise direct carriers to use the federal support to replace implicit intrastate universal service support to high-cost rural areas, which was formally generated by above-cost rates in low-cost urban areas." (USF Order at ¶ 96)

The Maine Commission applauds the Commission's recognition that these additional funds are needed to ensure that customers in Maine have telephone rates that are comparable to rates charged in this country's urban areas.

Sincerely,

  
Dennis Keschl  
Administrative Director

Attachment

cc: Universal Service Administrative Corporation.



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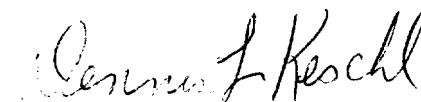


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Sincerely,

A handwritten signature in black ink, appearing to read "Dennis L. Keschl", written in a cursive style.

Dennis Keschl  
Administrative Director

Attachment

cc: Universal Service Administrative Corporation.

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

Docket No. 99-825

March 22, 2000

Petition of the Office of the Public Advocate  
To Initiate Investigation of Appropriate  
Disposition of Additional Federal  
Universal Service Funds  
Docket 99-825

ORDER APPROVING  
STIPULATION

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

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**I. SUMMARY**

In this Order we approve the Stipulation filed on March 1, 2000, in the above-captioned docket. The Stipulation contains an agreement that was negotiated among Bell Atlantic-Maine (Bell Atlantic or BA), the Office of the Public Advocate (OPA) and the State Planning Office (SPO), with the assistance of the Commission Staff. The Stipulation, a copy of which is attached to this Order, recommends the distribution of additional high-cost Universal Service Fund (USF) support designated by the Federal Communications Commission (FCC) for the non-rural local exchange carrier (LEC) in Maine.<sup>1</sup> Under the Stipulation, all customers in the LEC service territory would see a credit of at least \$.23 per month for the calendar year 2000 while customers in the Metro and Second Tier wire centers would see a credit of \$1.40 and \$1.00, respectively, for residential customers and \$5.18 and \$3.00, respectively, for business customers.

**II. FCC ORDER**

On November 2, 1999, the FCC adopted a new mechanism to provide high-cost support to non-rural carriers beginning on January 1, 2000. In the Matter of Federal-State Joint Board on Universal Service, Ninth Report and Order and Eighteenth Order on Reconsideration, CC Docket No. 96-45, (FCC 99-306, released November 2, 1999) (USF Order). The new mechanism made available an additional \$10.2 million in explicit interstate universal service support for the year 2000 for customers in Bell Atlantic's Maine territory.

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<sup>1</sup>At present, the only non-rural LEC in Maine is Bell Atlantic, but the additional high-cost funds are portable to any Eligible Telecommunications Carrier (ETC) that serves customers in Bell Atlantic's exchanges.

The USF Order requires states to certify by April 1, 2000,<sup>2</sup> that the non-rural carrier(s) in their jurisdictions will use the federal support in compliance with section 254(e) of the Telecommunications Act of 1996. Section 254(e) states that carriers must use universal service support "only for the provision, maintenance and upgrading of facilities and services for which support is intended." 47 U.S.C. § 254(e). The FCC stated in the USF Order that, "the primary role of each state is to ensure reasonable comparability within its borders (i.e., to apply state and federal support to make local rates reasonably comparable within the state)." USF Order at ¶ 38. The FCC also explicitly stated that it would not direct the manner in which states incorporated the new high-cost support into their ratemaking process but would allow each state to determine how support should be used to advance the goals of section 254(e).

### III. PROCEDURAL BACKGROUND

On November 19, 1999, the OPA filed a Petition to Initiate Investigation of Appropriate Disposition of Additional Federal Universal Service Funds. On December 13, 1999, the Commission issued a procedural order inviting all interested persons to a meeting at the Commission on December 16, 1999, to discuss the process that would be used to facilitate Commission certification regarding the use of the federal USF funds. The procedural order was faxed to Bell Atlantic, the Telephone Association of Maine, the Office of the Public Advocate, and all facilities-based competitive local exchange carriers (CLECs) in Maine and was mailed to the service list in Docket No. 97-319, Proposed Amendment of Chapter 280 to Achieve Parity With Interstate Access Rates by May 30, 1999.

Representatives from Bell Atlantic, the OPA, the Telephone Association of Maine (TAM), Mid-Maine TelPlus, Fairpoint Communications, and the Governor's Office attended the December 16 meeting. The parties were unable to reach substantive agreement at that time. However, on March 1, 2000, following a meeting held on January 11, 2000, and subsequent discussions, Bell Atlantic submitted the Stipulation on behalf of itself, the OPA and the SPO. TAM and the OPA each submitted separate statements/comments regarding the Stipulation on March 2, 2000.

### IV. DESCRIPTION OF THE STIPULATION

The Stipulation provides that the additional federal USF funds, currently estimated to total \$10.25 million for 2000, should be credited to customers' bills to reduce the implicit subsidies that currently exist in BA's basic local rate structure. This is accomplished by targeting the high-cost funds to wire centers that have, relative to their rate structure, the lowest cost per access line, calculated by using average lines

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<sup>2</sup>The Order originally required certification by December 31, 1999. On December 17, 1999, the FCC extended the deadline to April 1, 2000.

per square mile as a proxy.<sup>3</sup> The Stipulation also gives a larger credit to business customers, based on the premise that through their higher rates they make a larger contribution to implicit universal service support than do residential customers in similarly situated wire centers.

The Stipulation indicates that the exact timing of the receipt of the high-cost funds is uncertain at this time, but that funds are expected to be made available starting in July, 2000, at which time the bill credits described in the Stipulation will begin.<sup>4</sup> Current indications are that the retroactively applicable amounts will be paid to the carrier monthly, but it is possible that the entire first-quarter amount will come as a single payment during the third quarter. The essence of the Stipulation is that Bell Atlantic customers should receive credits applicable to the first half of 2000 on their bills during the second half of 2000, along with the concurrent second-half credits. For example, if Bell Atlantic receives its support payments for January and July of 2000 during the month of July (or in early August), the Company's customers will see two months worth of credits on their July bills. If Bell were to receive the entire amount related to the first quarter in a single payment, customers would see four months of the credit amount on the bill for the month in which the payment is received from USAC, or at latest, customers would receive the credit in the following month, which would allow the Company time to correctly adjust its billing system.

The pattern of combined current and retroactive credit amounts on customers' bills will occur only until payment of the high-cost support amounts from USAC becomes entirely current, which is expected at the beginning of 2001. The parties to the Stipulation have not agreed on the distribution of high-cost funds beyond 2000; if the FCC orders continuation of support beyond this year, a new agreement will have to be negotiated, or the Commission will decide the use of the funds after receiving input from interested parties. The parties to the Stipulation are free to propose and support a different means of applying any USF support that becomes available in future years.

The Stipulation also contains a provision that requires reconciliation of the amount of support received by BA with the amount of the credits provided on customers' bills, with a final true-up of those amounts at the end of 2000, or early in

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<sup>3</sup>This method of distributing the USF support is expressly authorized by the FCC's Order. See USF Order at ¶ 96. ("[A] state could adjust intrastate rates, or otherwise direct carriers to use the federal support to replace implicit intrastate universal support to high-cost rural areas, which was formerly generated by above-cost rates in low-cost urban areas . . .")

<sup>4</sup>The FCC has indicated that amounts applicable to support for the first quarter of 2000 will be paid to the non-rural carrier during the third quarter of 2000, and similarly, amounts for second quarter support will be paid during the fourth quarter of the year. The amounts related to support for the first half of the year will be credited to customers as soon as is practical after those funds are made available by the Universal Service Administrative Company (USAC).



2001 to allow time for all amounts to be checked and verified. The Stipulation recommends that, after reviewing Bell Atlantic's calculations and proposed true-up mechanism, the Commission's Acting Director of Finance be given the authority to approve the true-up. Subject to our retention of the ultimate authority to review and approve the true-up mechanism should a dispute arise or should we wish to do so on our own, we will grant the delegated authority recommended by the parties.

The credit amounts shown in the Stipulation for customers in the "Metro" and "Second Tier" wire centers<sup>5</sup> are estimates, which will be adjusted proportionally if the FCC substantially changes the total amount of support to be provided. The Stipulation defines the wire centers for the residential and business customer classes that are contained in each of the tiers for application of the credit amounts. The Stipulation also provides that the monthly credit amount for the "All Other Wire Centers" category will remain at \$.23 per line regardless of the total amount of funding provided.

## **V. DECISION**

### **A. Standard of Review**

In reviewing a stipulation submitted by the parties to a proceeding, we must consider:

1. whether the parties joining the stipulation represent a sufficiently broad spectrum of interests that the Commission can be sure that there is no appearance or reality of disenfranchisement;
2. whether the process that led to the stipulation was fair to all parties; and
3. whether the stipulated result is reasonable and is not contrary to legislative mandate.

See Consumers Maine Water Co., Proposed General Rate Increase of Bucksport and Hartland Divisions, Docket No. 96-739 (Me. P.U.C. July 3, 1997). We have also recognized that we have an obligation to ensure that the overall stipulated result is in the public interest. Id.

### **B. Discussion**

Three parties have signed the Stipulation and two others (Fairpoint and TAM) have not signed but indicate no opposition to the substance of the agreement. In its comments on the Stipulation, however, TAM noted that while it generally agreed with the terms of the Stipulation, it was concerned that the \$0.23 credit would be construed

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<sup>5</sup>The credit amounts are \$1.40 and \$1.00, respectively, for residential customers, and \$5.18 and \$3.00, respectively, for business customers.

as an explicit offset to the federal LNP charge. We find that, in light of the broad participation in the discussions, including in particular the participation and concurrence of the OPA, the first test is met.

We find no basis in TAM's comment to reject the Stipulation. The \$0.23 credit is not, as we view the Stipulation, linked in any way to the LNP charge. Instead, the \$0.23 credit is a negotiated amount; the parties agreed that all customers should receive some rate reduction. We approve the Stipulation based on our understanding that any future changes in the amount of the LNP charge will have no effect on the agreement implemented through this Stipulation.

With regard to the process in reaching the Stipulation, as recounted above, we gave wide notice of this proceeding. While ultimately only a small number of parties chose to participate, we do not find that this level of participation in any way diminishes the fairness of the process.

Finally, we find that, taken as a whole, the Stipulation represents a reasonable accommodation of the numerous, and sometimes competing, interests involved. Moreover, the Stipulation meets the guidelines set forth by the FCC for the acceptable use of the funds. The Stipulation proposes that the credits be used to reduce some of the implicit subsidies that currently exist within the rate structure of Bell Atlantic-Maine. While we do not have completed cost studies available that would allow calculation of the subsidy amounts with greater precision, previous cases involving cost studies (see e.g., Re: Investigation Into New England Telephone Company's Cost of Service and Rate Design, Docket No. 92-130) indicate that, in general, customers in Bell's higher cost rural wire centers actually pay lower rates than do customers in the more urban, lower cost wire centers. The Stipulation thus moves rates in the direction of their underlying costs, reduces the implicit subsidy that flows from low-cost to high-cost wire centers, and simultaneously keeps basic rates throughout the State comparable and affordable.

We intend to file a letter with the FCC by April 1, 2000, certifying that the high-cost funds made available by USF Order will be used in compliance with the guidelines established by the FCC. Doing so will ensure that whatever amount of money the FCC determines should be made available to the non-rural carrier in Maine will become available at the earliest possible time.

Therefore, we

#### ORDER

1. That the Stipulation filed on March 1, 2000, in this docket is approved;
2. That, subject to review by the Commission, the Acting Director of Finance is authorized to approve the true-up mechanism that will occur at the conclusion of the 2000 support year; and

3. A copy of this Order will be forwarded to the FCC with our letter certifying that the USF funds are being used according to the guidelines set forth by the FCC.

Dated at Augusta, Maine, this 22<sup>nd</sup> day of March, 2000.

BY ORDER OF THE COMMISSION

  
Dennis L. Keschl  
Administrative Director

COMMISSIONERS VOTING FOR:

Welch  
Nugent  
Diamond

## NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

Docket No. 99-825

Petition of the Office of the Public Advocate  
To Initiate an Investigation of the Appropriate  
Disposition of Additional Federal Universal  
Service Funds

STIPULATION

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As a consequence of the Federal Communications Commission's Ninth Report and Order on Universal Service,<sup>1</sup> non-rural local exchange carriers in Maine stand to receive approximately \$10.2 million in explicit interstate support this year for the promotion of universal service objectives under Section 254 of the Telecommunications Act of 1996. The FCC indicated that such explicit interstate support replaces the support that non-rural carriers currently receive from the operation of the existing interstate high-cost fund.<sup>2</sup> The FCC then directed, as a condition to receiving interstate high-cost funds, that states certify to the FCC that the explicit interstate support received by non-rural carriers will be employed for the purposes specified in the TelAct.

In December, the Commission's Hearing Examiner directed parties with an interest in the issue to meet to discuss various ways the Commission might certify Bell Atlantic-Maine's use of the explicit interstate support.<sup>3</sup> Besides BA-ME and the OPA, other parties exhibiting an interest in the issues raised in the Public Advocate's petition include the Telephone Association of Maine, the State Planning Office, and Fairpoint Communications (a CLEC).

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<sup>1</sup> In the Matter of Federal-State Joint Board on Universal Service, NINTH REPORT & ORDER AND EIGHTEENTH ORDER ON RECONSIDERATION, CC Docket No. 96-45, released November 2, 1999, FCC 99-306 (hereinafter "USF Order").

<sup>2</sup> USF Order at ¶2.

During December and January, the parties met on several occasions, exchanged drafts of proposals and counterproposals, and conducted several telephone conference calls in an effort to reach a resolution of the issues raised by certification, thereby avoiding the need for a protracted Commission proceeding to develop the required state certification to the FCC.<sup>4</sup>

The parties have reached agreement on BA-ME's disposition of the Federal USF support. Using access line density as a surrogate for loop costs, BA-ME and the State Planning Office have concluded generally that through statewide rate-averaging, subscribers in BA-ME's metropolitan wire centers with lower average loop costs contribute more to the support of universal service objectives than do subscribers in non-metropolitan exchanges with higher average loop costs.<sup>5</sup> Likewise, business subscribers in metropolitan wire centers also contribute to universal service more than do residential subscribers. Accordingly, these parties recommend that BA-ME's receipt of explicit interstate high-cost support be used primarily to afford BA-ME's metropolitan basic exchange subscribers a reduction in the level of implicit support for universal service provided under current rate structures. Two tiers were created based on loop density. However, the parties agree further that all other wire centers should also receive an

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<sup>3</sup> At present, BA-ME is the only non-rural Eligible Telecommunications Carriers (ETC) eligible to receive interstate funding from this source.

<sup>4</sup> The Commission's failure to certify the application of these funds by April 1, 2000 would jeopardize Maine's receipt of any funds for the first half of 2000. If certification is not made by July 1 of this year, non-rural carriers in Maine would forfeit funds for the entire program year. (USF Order at ¶¶ 101-104).

<sup>5</sup> The parties used data on access line density by wire center (*i.e.*, the number of access lines per square mile in a given wire center) because such data serves as the best available proxy for relative loop cost by wire center. In the future, the parties hope to have a better method for estimating loop cost by wire center.

The terms "metropolitan" and "non-metropolitan" to characterize BA-ME's wire centers were employed to distinguish among BA-ME's wire centers based upon loop density, as a surrogate for comparative cost relationships across various wire centers in BA-ME's service territory in the state.

across-the-board reduction. The amount of the minimum reduction selected (\$0.23) is equal to the surcharge imposed to recover BA-ME's costs for Local Number Portability.

The parties have agreed to a credit mechanism to reduce BA-ME's monthly basic exchange rates in the following manner:

	<u>Residence Credits</u>	<u>Business Credits</u>
<u>Metro Wire Centers</u> <sup>6</sup>	\$1.40	\$5.18
<u>Second Tier Wire Centers</u> <sup>7</sup>	\$1.00	\$3.00
<u>All Other Wire Centers</u>	\$0.23	\$0.23

Other than the \$0.23 monthly credit described above to business and residence subscribers, all monthly credits are estimated amounts. The actual amount of any credit will depend upon the amount of interstate funds actually received by BA-ME annually from the interstate USF high-cost model, together with the total number of BA-ME access lines in each class of wire centers. The parties have utilized BA-ME's access line count as of December 31, 1999 to project the number of access lines in service during 2000 and have assumed that BA-ME will receive 100% of the \$10.2 million earmarked for non-rural carriers in Maine to arrive at the estimated amount of the monthly credits for subscribers in the Metropolitan and Second-tier wire centers. If the amount of the credit varies from the estimated amounts due to changes in either of these assumptions,

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<sup>6</sup> BA-ME's "Metropolitan" wire centers for residence subscribers include Portland, Old Orchard Beach, Westbrook, N. Deering, S. Portland, Bangor, Lewiston, Kennebunkport, Biddeford, and Augusta. BA-ME's "Metropolitan" exchanges for business subscribers include Portland, Old Orchard Beach, Westbrook, N. Deering, S. Portland, Bangor, Lewiston, Kennebunkport, Biddeford, Augusta, Scarborough, Brewer, Falmouth, Brunswick, Waterville and Kittery.

the parties intend that all credits (with the exception of the \$0.23 credit, which shall remain constant in 2000) be modified so as to preserve the relative proportions of the allocation of the total funds among business and residence subscribers and between Metropolitan and Second-tier wire centers. Credits will be applied to resold business and residence lines prior to the application of any wholesale discount required under TelAct Section 251(c)(4).

If the Commission completes its certification to the FCC by April 1, BA-ME will receive interstate USF funding for the first quarter of 2000 at the time it receives third quarter funding. Similarly, with certification by the state before April 1, BA-ME is scheduled to receive second quarter funds for 2000 from the FCC at the time BA-ME receives funds for the fourth quarter.

The specific details on the manner in which the Federal funds will be distributed in the states is not known at this time. It is expected that, on an ongoing basis, the FCC will disburse high cost funds monthly as it does today. However, it is not known when the ongoing disbursement from the funds (applicable to the third and fourth quarters of 2000) will commence; nor is it known how the FCC will distribute the amounts in arrears for the first and second quarter of 2000. Funds in arrears may be paid to eligible LECs monthly in addition to ongoing fund payments for the third and fourth quarter, or they may perhaps be made in a lump sum.

Notwithstanding the lack of available details on disbursement, BA-ME will initiate the monthly credit to customer bills commencing with bills issued in July, 2000 to those customers of record. Additional credits for amounts received in arrears from the

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<sup>7</sup> BA-ME's "Second-tier" wire centers for residence subscribers include Scarboro, Brewer, Falmouth, Brunswick, Waterville and Kittery and for business customers includes Rockland, Yarmouth, York, Wells,



FCC for the first and second quarters will be made to those customers of record in the third and fourth quarters of 2000 as soon as is reasonably practical (to allow time for implementation) after BA-ME's receipt of amounts in arrears for the first and second quarter.

Billing credits, rather than changes to tariffed exchange rates, have been selected for effecting the disposition of interstate USF high-cost support for two reasons. First, a credit mechanism properly reflects that the amount BA-ME actually receives in any year may vary for several reasons. Future changes in inputs to the FCC's cost model could produce different results in each year modeled. Additionally, the funds provided by the FCC are not earmarked to BA-ME but are fully portable and paid to any non-rural Eligible Telecommunications Carrier providing universal telephone service in a high-cost wire center. To the extent eligible competitive local exchange carriers (CLECs) qualify as non-rural ETCs and provide service in a targeted high-cost wire center, a portion of the interstate funds will be paid to CLECs and not to BA-ME.

A second reason for employing billing credits in the application of the intrastate funds is that the number of access lines served by BA-ME is not a static number. Over the course of the year, the number of lines will vary, producing potentially either too large or too small of a credit. BA-ME will, therefore, commence in July with the credits depicted above, track all credits made through the course of the year, and in the last month (or possibly the first or second month of the following year, depending on tracking and billing system capability) true-up both the actual interstate funds received and intrastate credits disbursed and arrive at a closing monthly credit that would net the two amounts for the program year to zero. The credit tracking and adjustment mechanism

proposed by BA-ME will be submitted to the Commission's Acting Director of Finance for review and approval.

The consensus recommendation described herein for the disposition of the first year's amount of explicit interstate high-cost support represents a negotiated compromise of the issues. Applying the funds received by BA-ME from the interstate high-cost fund towards reductions in certain intrastate rates is a disposition expressly authorized by the FCC's USF Order.<sup>8</sup> It is not the only permissible application for the funds, however, and no party endorses fully the underlying rationales of this stipulation, which supports the accommodation of competing interests forged in this compromise. Notwithstanding each party's reservations, the parties have collectively fashioned the proposed resolution as a means of developing the necessary certification in time to receive funding for the first program year. The parties reserve their right to propose and support a different means for applying USF high-cost funds if and when received in any future program year.

Accordingly, this Stipulation is entered into with the full and complete understanding of all parties that neither the specific terms nor the underlying principles embodied in this specific negotiated Stipulation shall have any precedential effect whatsoever for any future proceeding, including but not limited to any Federal or State USF disbursements relating to high-cost support for rural or non-rural ETCs.

The parties further agree that the stipulation described herein is an integrated whole, with every provision integrally related to every other provision. As such, the parties agree that rejection or revision by the Commission of any separate provision of this stipulation constitutes rejection of the entire agreement. Should the Commission fail

to approve the entire stipulation as filed by the parties, the stipulation shall be void and of no further effect. Under such circumstances, neither the stipulation nor any part thereof shall be offered or introduced as evidence in this or any other proceeding.

Accordingly, the parties signing below are in general agreement with the proposed application of interstate USF high-cost funds totaling approximately \$10.2 million for the year 2000.

Bell Atlantic-Maine

*for Karen B. Romano*  
Donald W. Boecke  
Its Attorney

Office of the Public Advocate

\_\_\_\_\_  
Wayne Jortner, Esq.

State Planning Office

\_\_\_\_\_  
Evan D. Richert, Director

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<sup>8</sup> See USF Order at ¶ 96. ("[A] state could adjust intrastate rates, or otherwise direct carriers to use the federal support to replace implicit intrastate universal support to high-cost rural areas, which was formerly generated by above-cost rates in low-cost urban areas . . .")

Telephone Association of Maine

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Benjamin Sanborn,  
External Affairs Manager

Fairpoint Communications

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James Stacy, Esq.  
Its Attorney

Dated: March 1, 2000

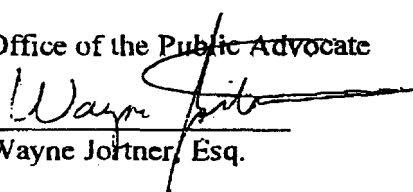
The parties further agree that the stipulation described herein is an integrated whole, with every provision integrally related to every other provision. As such, the parties agree that rejection or revision by the Commission of any separate provision of this stipulation constitutes rejection of the entire agreement. Should the Commission fail to approve the entire stipulation as filed by the parties, the stipulation shall be void and of no further effect. Under such circumstances, neither the stipulation nor any part thereof shall be offered or introduced as evidence in this or any other proceeding.

Accordingly, the parties signing below are in general agreement with the proposed application of interstate USF high-cost funds totaling approximately \$10.2 million for the year 2000.

Bell Atlantic-Maine

\_\_\_\_\_  
Donald W. Boecke  
Its Attorney

Office of the Public Advocate

  
\_\_\_\_\_  
Wayne Jortner, Esq.

State Planning Office

\_\_\_\_\_  
Evan D. Richert, Director

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<sup>1</sup> See USF Order at ¶ 96. ("[A] state could adjust intrastate rates, or otherwise direct carriers to use the federal support to replace implicit intrastate universal support to high-cost rural areas, which was formerly generated by above-cost rates in low-cost urban areas . . .")